

Premier Oil plc

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23rd August 2005

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Securities and Exchange Commission 450 Fifth Street, N.W. Washington DC 20549 U.S.A.

Dear Sirs

SUPPL

Premier Oil plc (f/k/a Premier Oil Group plc) Rule 12g3-2(b) Exemption: File No. 82-34723

In accordance with Premier Oil plc's exemption from the disclosure requirements under Rule 12g3-2(b) of the Securities Exchange Act of 1934, please find enclosed the following press release dated 23rd August 2005:

"Drilling Update"

Yours faithfully

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Company Secretary

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Press Release



PREMIER OIL PLC ("Premier")

Drilling Update

Premier reports the following in relation to its current drilling programme:

Mauritania

PSC Area A: Sotto-1 ST1 Exploration Well

The 'Stena Tay' drill rig drilled Sotto-1 ST1 to a final total depth of 3,279 metres.

At midnight on 22 August 2005, preparations were underway to commence wireline logging. Logs and other data acquired while drilling suggest that the well has not encountered any significant hydrocarbons.

Following completion of wireline logging, it is expected that the Sotto-1 ST1 well will be plugged and abandoned as a dry hole. Premier's equity in this well was 4.62%.

The 'Stena Tay' will then move to the Espadon-1 exploration well in PSC Area B.

Chinguetti Development Wells

The 'West Navigator' drillship continues to perform completion work on Chinguetti Development wells.

Exploration Programme

Joint Venture Participants have approved the drilling of four exploration wells subsequent to Sotto. These are Espadon-1, Tevet-2, Labeidna-1 and Colin-1. Tevet-2 will target a stratigraphically deeper reservoir than the Tevet-1 discovery well.

<u>Pakistan</u>

Jhangara Licence: Maliri-1 well

The Maliri-1 well was spudded on 12 August 2005 and is drilling ahead to a planned target depth of 1,250 metres.

Gabon

Iris Marin Licence: Iboga-1 well

The Iboga-1 well was spudded on 19 August 2005 and is drilling ahead to a planned target depth of 2,000 metres.

<u>India</u>

Jaipur Licence: Lakkhi-1 well

The well is currently operating at its planned target depth of 4,347 pretres and is b prepared for testing operations.

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Simon Lockett, Chief Executive of Premier, said:

"Following on from the two successful wells drilled this year in Mauritania (Tiof-6) and Egypt (Al Amir-1) we are now commencing the most active exploration programme Premier has undertaken. While the Sotto high risk/high reward well was dry, it is adding significantly to our understanding of subsurface risks. We now expect to drill a further ten exploration wells before the end of 2005 including wells in India, Gabon, Indonesia, Egypt, Pakistan, Mauritania and the UK."

ENQUIRIES:

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Background For Editors:

Premier Oil plc is a leading independent oil and gas company with producing interests in the UK, Indonesia and Pakistan and an oil development in Mauritania. Exploration and appraisal is ongoing in the UK, South and South East Asia and Africa.

Premier's strategy is to add significant value per share through exploration and appraisal success, astute commercial deals and asset management. The company's operating business and strong finances put the company in the position to operate successfully in all reasonable external environments.